

district known as the Mojave Desert Cross, which has stood proudly for over 75 years. It was erected by veterans of World War I and maintained by generations of veterans since 1934.

It was attacked 10 years ago by the ACLU, which convinced a judge to declare the memorial to World War I veterans unconstitutional. Clearly, they want to erase anything from public property that might be seen as religious in some way.

The monument was not established by government or maintained by the government, but it now stands in the Mojave National Preserve. It is a tribute to those who protected America and freedom, not a promotion of religion. If the critics of this memorial are successful, it could open the door to attacks on memorials and historic sites in all of our national parks, including Arlington National Cemetery and Gettysburg National Military Park.

I am proud to say that the Congress has understood the value of these materials and has voted overwhelmingly on numerous occasions to preserve the Mojave Desert Cross in honor of those who have defended our Nation. The will of Congress is to keep the cross in tribute to all veterans—and I sincerely hope the Justices will see the wisdom of that intent.

FEDERAL REGULATORS MISLED DURING BAILOUT

The SPEAKER pro tempore. The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

Mr. STEARNS. Mr. Speaker, I rise this morning to address my concerns as a result of the Special Inspector General for the Troubled Asset Relief Program's audit of the capital injections provided to Bank of America and other major banks through the taxpayer-funded TARP program.

Neil Barofsky, the Special Inspector General for the TARP, revealed yesterday in his official report that high-ranking Federal officials, including former Treasury Secretary Henry Paulson and current Federal Reserve Chairman Ben Bernanke, misled the American people about the true financial state of Bank of America and eight other initial TARP recipients that received over \$125 billion in this bailout.

We were told last October that the Treasury Department needed over \$700 billion, along with unprecedented and vast new authority, in order to stave off a total collapse of our financial system. They were going to buy the so-called toxic loans. Ten days later, after the bill passed, they changed their strategy and decided to give TARP funds to financial institutions.

We were told last October that this \$700 billion would enable the Secretary of Treasury to go and restore liquidity and stability and to our financial system through a series of capital injections into these financial institutions. And, most importantly, we were told last October that the Federal Govern-

ment was going to inject this money into "healthy" financial institutions under the rationale that propping up these "healthy" banks would enable them to lend money and unfreeze the credit market so that none of the other major banks and private financial institutions would collapse. Almost exactly a year later, we have found out that the American people were not given the full truth.

The nine initial TARP recipients, which received \$125 billion in TARP funds, were actually not the stable, healthy institutions that Mr. PAULSON and Mr. Bernanke claimed they were. And, as we all well know today, none of these institutions were able to increase their lending activities.

□ 1245

Bank of America and Citigroup, in particular, actually ended up needing billions more in bailout money than they were initially given. Meanwhile, struggling financial institutions such as Merrill Lynch, which was on the verge of collapse months before the enactment of TARP, were largely ignored until the now infamous and coerced acquisition of Merrill Lynch by the not-so-healthy Bank of America.

Neil Barofsky's audit blankly states that "By stating expressly that the 'healthy' institutions would be able to increase overall lending, Treasury may have created unrealistic expectations about the institutions' condition and their ability to increase lending." The Federal Reserve, along with the Federal Deposit Insurance Corporation, also described the nine original TARP recipients as "healthy." Privately, however, other Federal regulators and government officials were concerned that some of these institutions were actually in a state of near financial collapse, bankruptcy. These institutions collectively held more than \$11 trillion in banking assets, or about 75 percent of total U.S. bank assets, as of mid 2008.

Special Inspector General Neil Barofsky's audit concludes that "government officials should be particularly careful, even in a time of crisis, of describing their actions in an accurate manner" and that "inaccurate statements could have unintended long-term consequences that could damage the trust that the American people have in their government." Unfortunately, the real damage has already been done. The American people continually put their trust in high-ranking Federal officials to do what is best for the good of the people in our country. However, the reality is that most Americans, including the majority of my constituents in the Sixth Congressional District of Florida, were already and still continue to be outraged by the \$700 billion bailout of Wall Street.

Finding out that they were also misled about the rationale and the criteria in which the Treasury Department, the Federal Reserve and other Federal reg-

ulators selected Bank of America and eight other institutions to be the first recipients of taxpayer-funded TARP money does nothing to lessen the concern or infuse confidence into the future decision surrounding financial regulatory reform. Many Americans these days feel like Washington is the problem, not the solution. This is an unfortunate perception that must be changed. Trust in our Federal regulators must be restored in the American people's minds for, as Thomas Jefferson once said, "Follow truth as the only safe guide and eschew error, which bewilders us in one false consequence after another."

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 2 p.m. today.

Accordingly (at 12 o'clock and 48 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Ms. RICHARDSON) at 2 p.m.

PRAYER

Pastor Greg Schanep, Faith Fellowship, Fort Hood, Texas, offered the following prayer:

As a Christian pastor, it is an honor to be here to pray for you in the name of my Lord, Jesus Christ.

President Abraham Lincoln said, "I have been driven many times upon my knees by the overwhelming conviction that I had nowhere else to go. My own wisdom, and that of all about me, seemed insufficient for that day."

Dear God, we pray for our President today and for his wisdom and for the wisdom of those about him. May they know Your grace is sufficient for this day.

We pray for the Members of the House of Representatives, their staffs and their families.

We ask that they be men and women of strong character with sound morality, and people of principle who share a strong vision of a godly Nation with a bright future.

We pray that our leaders will lead with compassion and love, and be forever aware of their huge responsibility to the people of this Nation and of their greater responsibility to You.

We ask Your watchful care over our men and women in uniform—especially those in harm's way and their families.

And, please God, Bless America.

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the